

WORKFORCE SAFETY & INSURANCE  
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2007

	July-07				Current	Prior Year	3 Years	5 Years
	Allocation		Month		FYTD	FY07	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Net	Net	6/30/2007	6/30/2007
							Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>								
<i>Structured Growth</i>								
Los Angeles Capital	19,267,834	1.5%	1.5%	-3.21%	-3.21%	21.84%	13.35%	N/A
<b>Total Structured Growth</b>	<b>19,267,834</b>	<b>1.5%</b>	<b>1.5%</b>	<b>-3.21%</b>	<b>-3.21%</b>	<b>21.84%</b>	<b>13.35%</b>	<b>10.94%</b>
Russell 1000 Growth				-1.55%	-1.55%	19.04%	8.70%	9.28%
<i>Structured Value</i>								
LSV	18,701,048	1.4%	1.5%	-4.84%	-4.84%	23.77%	19.00%	16.55%
Russell 1000 Value				-4.62%	-4.62%	21.87%	15.93%	13.31%
<i>Russell 1000 Enhanced Index</i>								
LA Capital	38,158,220	2.9%	2.9%	-3.86%	-3.86%	21.27%	13.46%	N/A
Russell 1000				-3.09%	-3.09%	20.43%	12.34%	
<i>S&amp;P 500 Enhanced Index</i>								
Westridge	41,084,188	3.2%	2.9%	-1.62%	-1.62%	21.12%	11.98%	N/A
S&P 500				-3.10%	-3.10%	20.59%	11.68%	
<i>Index</i>								
State Street	11,755,459			-4.09%	-4.09%	21.82%	12.34%	11.08%
<b>Total 130/30</b>	<b>11,755,459</b>	<b>0.9%</b>	<b>1.0%</b>	<b>-4.09%</b>	<b>-4.09%</b>	<b>21.82%</b>	<b>12.34%</b>	<b>11.08%</b>
S&P 500				-3.10%	-3.10%	20.59%	11.68%	10.71%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>128,966,749</b>	<b>9.9%</b>	<b>9.8%</b>	<b>-3.22%</b>	<b>-3.22%</b>	<b>21.86%</b>	<b>13.76%</b>	<b>12.22%</b>
S&P 500				-3.10%	-3.10%	20.59%	11.68%	10.71%
<b>SMALL CAP DOMESTIC EQUITY</b>								
<i>Manager-of-Managers</i>								
SEI	20,378,622	1.6%	1.6%	-6.33%	-6.33%	18.39%	13.70%	14.37%
Russell 2000 + 200bp				-6.67%	-6.67%	18.76%	15.72%	16.16%
<i>Enhanced</i>								
Research Affiliates	19,587,912	1.5%	1.6%	N/A	N/A	N/A	N/A	N/A
Russell 2000				-6.84%	-6.84%			
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>39,966,534</b>	<b>3.1%</b>	<b>3.3%</b>	<b>-6.33%</b>	<b>-6.33%</b>	<b>18.39%</b>	<b>13.70%</b>	<b>14.37%</b>
Russell 2000				-6.84%	-6.84%	16.44%	13.45%	13.88%
<b>INTERNATIONAL EQUITY</b>								
<i>Large Cap - Active</i>								
Capital Guardian	41,800,109	3.2%	3.2%	-1.85%	-1.85%	25.99%	21.19%	14.89%
LSV	44,029,781	3.4%	3.2%	-1.90%	-1.90%	31.24%	N/A	N/A
<b>Total Large Cap - Active</b>	<b>85,829,890</b>	<b>6.6%</b>	<b>6.4%</b>	<b>-1.87%</b>	<b>-1.87%</b>	<b>28.57%</b>	<b>22.95%</b>	<b>18.43%</b>
MSCI EAFE - 50% Hedged				-2.31%	-2.31%	26.94%	22.55%	15.71%
<i>Small Cap - Value</i>								
Lazard	10,918,058	0.8%	0.8%	-0.60%	-0.60%	21.03%	20.93%	N/A
Citigroup Broad Market Index < \$2BN				1.20%	1.20%	28.58%	26.34%	
<i>Small Cap - Growth</i>								
Vanguard	10,431,385	0.8%	0.8%	-0.46%	-0.46%	31.00%	28.08%	N/A
Citigroup Broad Market Index < \$2BN				1.20%	1.20%	28.58%	26.34%	
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>107,179,334</b>	<b>8.3%</b>	<b>8.0%</b>	<b>-1.62%</b>	<b>-1.62%</b>	<b>28.02%</b>	<b>23.43%</b>	<b>17.15%</b>
MSCI EAFE - 50% Hedged				-2.31%	-2.31%	26.94%	22.55%	15.71%
<b>DOMESTIC FIXED INCOME</b>								
<i>Core Bond</i>								
Western Asset	182,375,641	14.1%	14.1%	0.16%	0.16%	7.29%	4.44%	5.64%
Lehman Aggregate				0.83%	0.83%	6.12%	3.98%	4.48%
<i>Mortgage Backed</i>								
Hyperion	51,535,673	4.0%	4.0%	0.09%	0.09%	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)				1.09%	1.09%			
<i>Core Plus/Enhanced</i>								
Clifton Group	51,013,263	3.9%	4.0%	1.64%	1.64%	5.52%	N/A	N/A
Prudential	49,882,751	3.8%	4.0%	-0.29%	-0.29%	N/A	N/A	N/A
<b>Total Core Plus/Enhanced</b>	<b>100,896,014</b>	<b>7.8%</b>	<b>8.0%</b>	<b>0.67%</b>	<b>0.67%</b>	<b>5.95%</b>	<b>N/A</b>	<b>N/A</b>
Lehman Aggregate				0.83%	0.83%	6.12%		
<i>Index</i>								
Bank of ND	90,588,726	7.0%	7.0%	1.11%	1.11%	5.45%	2.92%	4.32%
Bank of ND CD'S	37,230,884	2.9%	2.9%	0.46%	0.46%	5.33%	N/A	N/A
<b>Total Index</b>	<b>127,819,610</b>	<b>9.9%</b>	<b>9.9%</b>	<b>0.92%</b>	<b>0.92%</b>	<b>5.80%</b>	<b>2.91%</b>	<b>4.25%</b>
Lehman Gov/Credit (1)				1.00%	1.00%	6.00%	3.04%	4.35%
<i>BBB Average Quality</i>								
Wells Capital (formerly Strong)	180,016,045	13.9%	14.1%	-0.21%	-0.21%	7.93%	4.86%	6.59%
Lehman US Credit BAA				-0.06%	-0.06%	7.54%	4.47%	6.59%
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>642,642,983</b>	<b>49.5%</b>	<b>50.0%</b>	<b>0.28%</b>	<b>0.28%</b>	<b>7.20%</b>	<b>4.04%</b>	<b>5.45%</b>
Lehman Aggregate (2)				0.83%	0.83%	6.12%	4.13%	4.87%
<b>TREASURY INFLATION PROTECTED SECURITIES (TIPS)</b>								
Northern Trust Global Investments	143,011,156	11.0%	11.0%	2.30%	2.30%	3.93%	3.78%	N/A
Western	141,649,777	10.9%	11.0%	1.98%	1.98%	3.35%	3.40%	N/A
<b>TOTAL TIPS</b>	<b>284,660,933</b>	<b>21.9%</b>	<b>22.0%</b>	<b>2.14%</b>	<b>2.14%</b>	<b>3.64%</b>	<b>3.59%</b>	<b>N/A</b>
LB US TIPS Index				2.28%	2.28%	4.07%	3.96%	N/A
<b>REAL ESTATE</b>								
JP Morgan	85,046,061	6.6%	6.0%	-0.12%	-0.12%	16.00%	N/A	N/A
NCREIF Total Index				1.51%	1.51%	17.24%	17.14%	N/A
<b>CASH EQUIVALENTS</b>								
Bank of ND	8,911,282	0.7%	1.0%	0.44%	0.44%	5.36%	4.10%	3.00%
90 Day T-Bill				0.39%	0.39%	5.21%	3.78%	2.76%
<b>TOTAL WSI</b>	<b>1,297,373,876</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.10%</b>	<b>-0.10%</b>	<b>10.33%</b>	<b>6.98%</b>	<b>7.90%</b>
POLICY TARGET BENCHMARK				0.30%	0.30%	9.58%	7.13%	7.50%

NOTE: Monthly returns and market values are preliminary and subject to change.

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Allocation		Month		Net	Net	Net	Net
Market Value	Actual	Policy	Net ROR				

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.  
(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.